



P.O. BOX 23223 Oakland, CA 94623
Phone (510) 419-0120 / Fax (510) 832-1456

LETTER OF TRANSMITTAL
SAS Foundations E2/T1 Project

Run Date 06-Feb-07
Time 4:02 PM

Dated: 06-Feb-2007

TRANSMITTAL No: KFM-TRN-000488

Rev: 00

To: **Pedro Sanchez**
Caltrans - SAS E2/T1 Foundation Project
333 Burma Road
Oakland CA 94607
Phone: 510-286-0538 Fax:

Co/Job # 364-4347
Contract # 04-0120E4
Sub/Supplier: AGC
Sub/Supplier No:

Subject: Notice of Potential Claim #04-012207

Special Provis. (SP) REF: 9-1.04
Standard Spec. (SS) REF: 5-1.0105

RESUBMITTAL/SUPPLEMENTAL REF:

We are sending the following attached items:

☒ Attached

☐ Via Fax

☐ Contract Plans/Specs

☐ Certs of Compl./Samples

☐ Working Drawings

☐ Drawings/Calculations

☐ Schedule

☐ WQCP and/or Addenda

☐ Change Order

☐ Progress Estimate Request

☐ Weekly Welding Reports

☐ Copy of Letter

☐ Payroll Information

☐ CWR Procedure

Item	Date	Copies	Description	Pages
01	06-Feb-2007	0	04-012207 - CEM-6201B - Supplemental Notice of Potential Claim	

These are transmitted as checked below:

☐ For Approval

☐ For Review/Comment

☐ Return For Correction

☒ For Your Use

☐ As Requested

☐ For Information

Remarks:

Attached, please find Form Cem-6201B - Supplemental Notice of Potential Claim for the incorporation of CCO#41 changes into the final ISD submittal.

CC:

Submitted By:

Meda Schultz

(KFM Staff Member - Originator of Transmittal)

Checked & Sent By:

SPURK

Contract Admin/DCS Staff



FOR STATE USE ONLY	
Received	Date
(For resident engineer)	

TO	CONTRACT NUMBER	DATE	IDENTIFICATION NUMBER
PEDRO J. SANCHEZ (resident engineer)	04-0120E4	February 6, 2007	04-012207

This is a Supplemental Notice of Potential Claim for additional compensation submitted as required under the provisions of Section 9-1.04, "Notice of Potential Claim," of the Standard Specifications. The act of the engineer, or his/her failure to act, or the event, thing, occurrence, or other cause giving rise to the potential claim occurred on:

The particular nature and circumstances of this potential claim are described in detail as follows:

Specification Section 5-1.0105 of the Special Provisions, which governs the integrated shop drawing (ISD) process, is ambiguous, vague, and incomplete, in terms of the required magnitude and scope of effort necessary for implementation of this work into the project. During the development of the ISD's, numerous reinforcing steel conflicts were encountered that required several design changes to resolve. These issues were raised via KFM RFI's # 100, 102, 104, 105, 106, 119, 120, 121, 147, 112, 113, 114, 122, 123, 124, 125, 130, 131R1, 132, 133, 136, 137, 138 & 140, etc. The conflict resolutions were provided by the Engineer in the form of design changes and are contained in the proposed Contract Change Order #41. State Letter #1485, dated June 30, 2006, requested that additional costs related for the incorporation of the conflict resolution RFI's be included in CCO #41. Cont'd. See Page 1/4.

(attach additional sheets as needed)

The basis of this potential claim including all relevant contract provisions are listed as follows:

Special Provisions Section 5-1.0105 did not define a reasonably comprehensible scope of work for ISD since the nature, extent and severity of the reinforcing steel conflicts could not have been established at bid time. The Contractor is required to provide conflict resolutions through the "A-F" procedures listed in the Special Provisions. However, the specifications provided vague and ambiguous procedures for conflict resolution and did not define the extent to which these procedures were to be applied. These open ended procedures proved to be unworkable since within the Contractor's scope of responsibility, only those resolutions that fall within the allowable tolerances prescribed by BDS/ACI/CRSI standards of practice for detailing and placement of reinforcing steel and that do not constitute a design change, can be implemented. Cont'd. See page 2/4.

(attach additional sheets as needed)

The estimated dollar cost of the potential claim including a description of how the estimate was derived and an itemized breakdown of individual costs are attached hereto.

Norcal Structural is in the process of compiling additional costs incurred for this claim. However, in letter # NS-KFM-LTR-010 dated November 20, 2006, NCS requested \$211,966.00 as our preliminary claim. Cont'd. See Page 3/4.

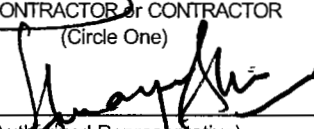
(attach sheets as required)

A time impact analysis of the disputed disruption has been performed and is attached hereto. The affect on the scheduled project completion date is as follows:

No adjustment to contract time is requested based upon this dispute.

(attach time impact analysis as required)

The undersigned originator (Contractor or Subcontractor as appropriate) certifies that the above statements and attached documents are made in full cognizance of the California False Claims Act, Government Code sections 12650-12655. The undersigned further understands and agrees that this potential claim to be further considered, unless resolved, must fully conform to the requirements in Section 9-1.04 of the Standard Specifications and must be restated as a claim in the Contractors written statement of claims in conformance with Section 9-1.07B of the Standard Specifications.

NORCAL STRUCTURAL
SUBCONTRACTOR or CONTRACTOR
(Circle One)

(Authorized Representative)

For a subcontractor potential claim

This notice of potential claim is acknowledged, certified and forwarded

KIEWIT - FCI - MANSON, A JOINT VENTURE
PRIME CONTRACTOR


(Authorized Representative)

The particular nature and circumstances of this claim are described in detail as follows:

Specification Section 5-1.0105 of the Special Provisions, which governs the integrated shop drawing (ISD) process, is ambiguous, vague, and incomplete, in terms of the required magnitude and scope of effort necessary for implementation of this work into the project.

During the development of the ISD's, numerous reinforcing steel conflicts were encountered that required several design changes to resolve. These issues were raised via KFM RFI's # 100, 102, 104, 105, 106, 119, 120, 121, 147, 112, 113, 114, 122, 123, 124, 125, 130, 131R1, 132, 133, 136, 137, 138 & 140, etc. The conflict resolutions were provided by the Engineer in the form of design changes and are contained in the proposed Contract Change Order #41. State Letter #1485, dated June 30, 2006, requested that additional costs related for the incorporation of the conflict resolution RFI's be included in CCO #41.

Incorporation of these Engineer directed design changes into the ISD required several cycles of re-drafting for 3D CAD modeling, additional conflict checks and conflict resolutions. This additional scope of work is beyond that defined in the Special Provisions, as the nature of the conflicts and the subsequent design changes could not have been reasonably contemplated at bid time. Accordingly, KFM requested compensation on behalf of its ISD consultant Norcal Structural (NCS), for the added work necessary to incorporate design changes into the contract work.

KFM Serial Letter #223, dated December 6, 2006, forwarded NCS's request for additional compensation under CCO#41. State Letter #2563, dated January 17, 2007, denied this request and led to this dispute.

The basis of this potential claim including all relevant contract provisions are listed as follows:

Special Provisions Section 5-1.0105 did not define a reasonably comprehensible scope of work for ISD since the nature, extent and severity of the reinforcing steel conflicts could not have been established at bid time. The Contractor is required to provide conflict resolutions through the "A-F" procedures listed in the Special Provisions. However, the specifications provided vague and ambiguous procedures for conflict resolution and did not define the extent to which these procedures were to be applied. These open ended procedures proved to be unworkable since within the Contractor's scope of responsibility, only those resolutions that fall within the allowable tolerances prescribed by BDS/ACI/CRSI standards of practice for detailing and placement of reinforcing steel and that do not constitute a design change, can be implemented. Such specification issues were also raised in bidder's inquiry #88 but were not resolved by the Engineer at bid time. Any conflict resolutions that constitute design changes must be provided by the Engineer via a contract change order. Incorporation of these design changes into the ISD resulted in additional effort and extra work.

Accordingly, conflicts that could not be resolved within the specification were presented to the Engineer. Several design changes were provided by the Engineer via responses to KFM RFI's # 100, 102, 104, 105, 106, 119, 120, 121, 147, 112, 113, 114, 122, 123, 124, 125, 130, 131R1, 132, 133, 136, 137, 138 & 140, etc. for resolution of numerous conflicts for both E2 & T1 Footings reinforcing steel, as documented in CCO #41. The Engineer-directed conflict resolutions included:

- Complete change of T1 Wall reinforcing steel layout and bending details;
- Complete change of E2 Column horizontal & architectural reinforcing steel layout and bending details;
- Major revisions in E2 Fender reinforcing steel layout and bending details;
- Revisions in E2 Link Girder reinforcing steel placement and bending details;
- Revisions in T1 Skirt Pedestal reinforcing steel placement and bending details;
- Revisions in T1 Fender Corbel reinforcing steel placement and bending details.

Incorporation of these design changes in the ISD resulted in additional effort for NCS consisting of re-detailing and re-drafting for 3D CAD models, consequential additional conflict checks after incorporation of design changes, and additional resolution of conflicts.

This additional work was directed by the Engineer, as is evidenced by the incorporation of subject design changes in CCO #41, and when compared to a reasonable interpretation of the scope of work as defined by Section 5-1.0105, it is 'new and unforeseen work' and therefore compensable per Section 4-1.03D.

The estimated cost of the potential claim, including a description of how the estimate was derived and an itemized breakdown of individual costs are attached hereto:

Norcal Structural is in the process of compiling additional costs incurred for this claim. However, in letter # NS-KFM-LTR-010 dated November 20, 2006, NCS requested \$211,966.00 as our preliminary claim. The preliminary costs are based on actual hours spent for incorporation of the design changes into ISD as documented in Engineer's responses to KFM RFI's # 100, 102, 104, 105, 106, 119, 120, 121, 147, 112, 113, 114, 122, 123, 124, 125, 130, 131R1, 132, 133, 136, 137, 138 & 140, etc. and CCO #41, consequential additional conflict checks and additional conflict resolutions. The hourly charge rates are in accordance with KFM-NCS (formerly Abbas Group) contract. Timecards for this work were submitted on a weekly basis. Final detailed costs will be provided in accordance with contract specifications.

<u>Staff</u>	<u>Extra Work Hrs.</u>	<u>Cost/Hr.</u>	<u>Totals</u>
Ali Humayun Abbas	249.5	\$141.75	\$35,367
Paul X. Chiu	242	\$78.75	\$19,058
Engineer	1735	\$42.00	\$72,870
CAD Technician	2304	\$36.75	\$84,672
		Sub-Total	<u>\$211,966</u>
Costs of Claim Preparation			TBD
		Total Cost	<u>TBD</u>

*A time impact analysis of the disputed disruption has been performed and is attached hereto.
The effect on the scheduled project completion date is as follows:*

No adjustment to contract time is requested based upon this dispute.